

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
NORTHERN DIVISION

GOLD COAST COMMODITIES, INC.,

Plaintiff,

v.

CAUSE No. 3:22-CV-228-CWR-ASH

CRUM & FORSTER SPECIALTY
INSURANCE COMPANY,

Defendant.

ORDER

In 2021, the City of Jackson, Mississippi sued Gold Coast Commodities and others in state court. The City claimed that Gold Coast illegally dumped millions of gallons of industrial waste into City sewers, causing significant damage. Gold Coast sought a defense from Crum & Forster Specialty Insurance Company, but the insurer denied coverage. This suit followed.

Having reviewed the record, the Court finds Gold Coast's arguments for coverage foreclosed by *Gold Coast Commodities, Inc. v. Crum & Forster Specialty Ins.*, 68 F.4th 963 (5th Cir. 2023).

In that case, the Fifth Circuit concluded that Crum & Forster had no duty to defend Gold Coast in a nearly identical dumping suit brought by the City of Brandon, Mississippi. The court reasoned that the insurance policy covered only "inadvertent" acts. *Id.* at 967. Because Brandon's allegations described "intentional, not accidental" conduct by Gold Coast,

though, there was no coverage, and the federal dec action was properly dismissed for failure to state a claim. *Id.*

To be sure, today's dispute requires an examination of the City of Jackson's allegations rather than the City of Brandon's. But Jackson's complaint and amended complaint use the same key words its neighbor did to describe Gold Coast's activities. And the Fifth Circuit found those (identical) words to constitute allegations of intentional conduct that prevented Gold Coast from taking advantage of its insurance policy, regardless of the legal characterizations of "negligence" the municipality might have used elsewhere in its complaint. *Id.* at 967-68. So this case too must be dismissed for failure to state a claim.

Crum & Forster's motion to dismiss is granted. A separate Final Judgment shall issue.

SO ORDERED, this the 8th day of August, 2024.

s/ Carlton W. Reeves
UNITED STATES DISTRICT JUDGE